GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:918
ANSWERED ON:19.07.2002
SSI SECTOR
T.T.V. DHINAKARAN

Will the Minister of TEXTILES be pleased to state:

(a) Whether the woven segment of readymade garment and the knitted segment have been de-reserved from the SSI sector;

(b) if so, the reasons, therefore; and

(c) the measures taken by the Government to compensate the small scale sector to overcome the distress faced by SSI due to this decision?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES SHRI BASANAGOUDA R. PATIL (YATNAL)

(a) Government has de-reserved readymade woven garment and synthetic knitted gas mantle fabric for manufacture in the small scale sector. Besides, SSI investment limit for knitted fabrics and knitwears has been increased from Rs. 1.00 crore to Rs. 5.00 crore.

(b) The reasons for the same are to create opportunities for technology upgradation, enhancement of productivity, quality consciousness, product diversification, increase in exports and innovative marketing strategies, maximizing employment opportunities, etc.

(c) The Government has announced a Comprehensive Policy Package for SSIs on 30th August, 2000 to protect the interest of the Small Scale sector. The package includes enhanced fiscal and credit support, better infrastructural and marketing facilities and incentives for technology upgradation. The major objective of the policy package is to strengthen the SSI sector and enhance its competitiveness both domestically and globally.